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HOUSE BILL 235

43RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 1998

INTRODUCED BY

JOE NESTOR CHAVEZ

AN ACT

RELATING TO TAXATION; AMENDING A SECTION OF THE INCOME TAX ACT
TO EXPAND AND INCREASE THE LOW-INCOME COMPREHENSIVE TAX
REBATE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 7-2-14 NMSA 1978 (being Laws 1972,
Chapter 20, Section 2, as amended) is amended to read:

"7-2-14. LOW-INCOME COMPREHENSIVE TAX REBATE. --

A. Except as otherwise provided in Subsection B of
this section, any resident who files an individual New Mexico
income tax return and who is not a dependent of another
individual may claim a tax rebate for a portion of state and
local taxes to which the resident has been subject during the
taxable year for which the return is filed. The tax rebate
may be claimed even though the resident has no income taxable

Underscored material = new
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1 under the Income Tax Act. A husband and wife who file
2 separate returns for a taxable year in which they could have
3 filed a joint return may each claim only one-half of the tax
4 rebate that would have been allowed on a joint return.

5 B. No claim for the tax rebate provided in this
6 section shall be filed by a resident who was an inmate of a
7 public institution for more than six months during the taxable
8 year for which the tax rebate could be claimed or who was not
9 physically present in New Mexico for at least six months
10 during the taxable year for which the tax rebate could be
11 claimed.

12 C. For the purposes of this section, the total
13 number of exemptions for which a tax rebate may be claimed or
14 allowed is determined by adding the number of federal
15 exemptions allowable for federal income tax purposes for each
16 individual included in the return who is domiciled in New
17 Mexico plus two additional exemptions for each individual
18 domiciled in New Mexico included in the return who is
19 sixty-five years of age or older plus one additional exemption
20 for each individual domiciled in New Mexico included in the
21 return who, for federal income tax purposes, is blind plus one
22 exemption for each minor child or stepchild of the resident
23 who would be a dependent for federal income tax purposes if
24 the public assistance contributing to the support of the child
25 or stepchild was considered to have been contributed by the

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1 resident.

2 D. The tax rebate provided for in this section may
3 be claimed in the amount shown in the following table:

4	Modified gross	And the total number						
5	income is:	of exemptions is:						
6		But Not						6 or
7	Over	Over	1	2	3	4	5	More
8	[\$ 0	\$ 500	\$120	\$150	\$175	\$200	\$225	\$320
9	500	1,000	135	185	225	265	300	415
10	1,000	1,500	135	190	235	290	325	435
11	1,500	2,000	135	190	235	290	325	450
12	2,000	2,500	135	190	240	290	325	450
13	2,500	3,000	135	190	240	290	325	450
14	3,000	3,500	135	190	240	290	325	450
15	3,500	4,000	135	190	240	300	335	450
16	4,000	4,500	135	190	240	300	355	450
17	4,500	5,000	115	150	205	300	355	450
18	5,000	5,500	95	130	165	260	355	430
19	5,500	6,000	75	110	145	220	315	410
20	6,000	6,500	55	90	125	180	275	370
21	6,500	7,000	35	70	105	140	235	330
22	7,000	7,500	15	50	85	120	195	290
23	7,500	8,000	10	20	50	80	130	220
24	8,000	8,500	10	20	30	60	90	180
25	8,500	9,000	10	20	30	40	70	140

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1	9,000	9,500	10	20	30	40	60	100
2	9,500	10,000	10	20	30	40	50	80
3	10,000	10,500	10	20	30	40	50	60
4	10,500	11,000	10	20	30	40	50	60
5	11,000	11,500	10	20	30	40	50	60
6	11,500	12,000	5	10	15	20	25	30
7	12,000	12,500	5	10	15	20	25	30
8	12,500	13,000	5	10	15	20	25	30
9	13,000	13,500	5	10	15	20	25	30
10	13,500	14,000	5	10	15	20	25	30]
11	<u>\$ 0</u>	<u>\$ 500</u>	<u>\$ 145</u>	<u>\$ 180</u>	<u>\$ 210</u>	<u>\$ 240</u>	<u>\$ 270</u>	<u>\$ 350</u>
12	<u>500</u>	<u>1,000</u>	<u>165</u>	<u>225</u>	<u>270</u>	<u>320</u>	<u>350</u>	<u>450</u>
13	<u>1,000</u>	<u>1,500</u>	<u>165</u>	<u>230</u>	<u>290</u>	<u>350</u>	<u>390</u>	<u>480</u>
14	<u>1,500</u>	<u>2,000</u>	<u>165</u>	<u>230</u>	<u>290</u>	<u>350</u>	<u>390</u>	<u>495</u>
15	<u>2,000</u>	<u>2,500</u>	<u>165</u>	<u>230</u>	<u>290</u>	<u>350</u>	<u>390</u>	<u>495</u>
16	<u>2,500</u>	<u>3,000</u>	<u>165</u>	<u>230</u>	<u>290</u>	<u>350</u>	<u>390</u>	<u>495</u>
17	<u>3,000</u>	<u>3,500</u>	<u>165</u>	<u>230</u>	<u>290</u>	<u>350</u>	<u>390</u>	<u>495</u>
18	<u>3,500</u>	<u>4,000</u>	<u>165</u>	<u>230</u>	<u>290</u>	<u>350</u>	<u>390</u>	<u>495</u>
19	<u>4,000</u>	<u>4,500</u>	<u>165</u>	<u>230</u>	<u>290</u>	<u>350</u>	<u>390</u>	<u>495</u>
20	<u>4,500</u>	<u>5,000</u>	<u>140</u>	<u>180</u>	<u>250</u>	<u>330</u>	<u>380</u>	<u>470</u>
21	<u>5,000</u>	<u>5,500</u>	<u>115</u>	<u>160</u>	<u>200</u>	<u>315</u>	<u>370</u>	<u>455</u>
22	<u>5,500</u>	<u>6,000</u>	<u>90</u>	<u>135</u>	<u>175</u>	<u>265</u>	<u>340</u>	<u>435</u>
23	<u>6,000</u>	<u>6,500</u>	<u>80</u>	<u>125</u>	<u>165</u>	<u>240</u>	<u>330</u>	<u>395</u>
24	<u>6,500</u>	<u>7,000</u>	<u>70</u>	<u>110</u>	<u>150</u>	<u>220</u>	<u>300</u>	<u>370</u>
25	<u>7,000</u>	<u>7,500</u>	<u>70</u>	<u>110</u>	<u>150</u>	<u>220</u>	<u>300</u>	<u>370</u>

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1	<u>7,500</u>	<u>8,000</u>	<u>55</u>	<u>110</u>	<u>165</u>	<u>220</u>	<u>275</u>	<u>330</u>
2	<u>8,000</u>	<u>8,500</u>	<u>55</u>	<u>110</u>	<u>165</u>	<u>220</u>	<u>275</u>	<u>330</u>
3	<u>8,500</u>	<u>9,000</u>	<u>45</u>	<u>90</u>	<u>135</u>	<u>180</u>	<u>225</u>	<u>270</u>
4	<u>9,000</u>	<u>9,500</u>	<u>40</u>	<u>80</u>	<u>120</u>	<u>160</u>	<u>200</u>	<u>240</u>
5	<u>9,500</u>	<u>10,000</u>	<u>40</u>	<u>80</u>	<u>120</u>	<u>160</u>	<u>200</u>	<u>240</u>
6	<u>10,000</u>	<u>10,500</u>	<u>30</u>	<u>60</u>	<u>90</u>	<u>120</u>	<u>150</u>	<u>180</u>
7	<u>10,500</u>	<u>11,000</u>	<u>30</u>	<u>60</u>	<u>90</u>	<u>120</u>	<u>150</u>	<u>180</u>
8	<u>11,000</u>	<u>11,500</u>	<u>30</u>	<u>60</u>	<u>90</u>	<u>120</u>	<u>150</u>	<u>180</u>
9	<u>11,500</u>	<u>12,000</u>	<u>30</u>	<u>60</u>	<u>90</u>	<u>120</u>	<u>150</u>	<u>180</u>
10	<u>12,000</u>	<u>12,500</u>	<u>25</u>	<u>50</u>	<u>75</u>	<u>100</u>	<u>125</u>	<u>150</u>
11	<u>12,500</u>	<u>13,000</u>	<u>25</u>	<u>50</u>	<u>75</u>	<u>100</u>	<u>125</u>	<u>150</u>
12	<u>13,000</u>	<u>13,500</u>	<u>25</u>	<u>50</u>	<u>75</u>	<u>100</u>	<u>125</u>	<u>150</u>
13	<u>13,500</u>	<u>14,000</u>	<u>25</u>	<u>50</u>	<u>75</u>	<u>100</u>	<u>125</u>	<u>150</u>
14	<u>14,000</u>	<u>14,500</u>	<u>25</u>	<u>50</u>	<u>75</u>	<u>100</u>	<u>125</u>	<u>150</u>
15	<u>14,500</u>	<u>15,000</u>	<u>25</u>	<u>50</u>	<u>75</u>	<u>100</u>	<u>125</u>	<u>150</u>
16	<u>15,000</u>	<u>15,500</u>	<u>20</u>	<u>40</u>	<u>60</u>	<u>80</u>	<u>100</u>	<u>120</u>
17	<u>15,500</u>	<u>16,000</u>	<u>20</u>	<u>40</u>	<u>60</u>	<u>80</u>	<u>100</u>	<u>120</u>
18	<u>16,000</u>	<u>16,500</u>	<u>20</u>	<u>40</u>	<u>60</u>	<u>80</u>	<u>100</u>	<u>120</u>
19	<u>16,500</u>	<u>17,000</u>	<u>20</u>	<u>40</u>	<u>60</u>	<u>80</u>	<u>100</u>	<u>120</u>
20	<u>17,000</u>	<u>17,500</u>	<u>20</u>	<u>40</u>	<u>60</u>	<u>80</u>	<u>100</u>	<u>120</u>
21	<u>17,500</u>	<u>18,000</u>	<u>20</u>	<u>40</u>	<u>60</u>	<u>80</u>	<u>100</u>	<u>120.</u>

E. If a taxpayer's modified gross income is zero, the taxpayer may claim a credit in the amount shown in the first row of the table appropriate for the taxpayer's number of exemptions.

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F. The tax rebates provided for in this section may be deducted from the taxpayer's New Mexico income tax liability for the taxable year. If the tax rebates exceed the taxpayer's income tax liability, the excess shall be refunded to the taxpayer.

G. For purposes of this section, "dependent" means "dependent" as defined by Section 152 of the Internal Revenue Code of 1986, as that section may be amended or renumbered, but also includes any minor child or stepchild of the resident who would be a dependent for federal income tax purposes if the public assistance contributing to the support of the child or stepchild was considered to have been contributed by the resident. "

Section 2. APPLICABILITY.--The provisions of this act apply to taxable years beginning on or after January 1, 1998.